

BEFORE THE
ILLINOIS COMMERCE COMMISSION

RUTH A. HEEB)
)
-vs-) DOCKET NO.
) 03-0513
)
MidAMERICAN ENERGY COMPANY)
)
)
Complaint as to denial of)
residential utility service)
in Rock Island, Illinois.)

Wednesday, October 22, 2003

Springfield, Illinois

Met, pursuant to notice, at 9:00 a.m.

BEFORE:

MR. JOHN ALBERS, Administrative Law Judge

APPEARANCES:

MR. ROBERT McCOY
Prairie State Legal Services
208-18th Street
Suite 202
Rock Island, Illinois 61201

(Appearing for the complainant by
phone.)

SULLIVAN REPORTING CO., by
Laurel A. Patkes, Reporter.

1 APPEARANCES: (CONT'D.)

2 MS. KAREN M. HUIZENGA
3 106 East Second Street
4 Davenport, Iowa 52801

5 (Appearing on behalf of MidAmerican
6 Energy Company by phone.)

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

I N D E X

WITNESSES DIRECT CROSS REDIRECT RECROSS

RUTH A. HEEB

By Mr. McCoy	21		45	
By Ms. Huizenga		29		49
By Judge Albers		42		50

JULIE A. DeSALVO

By Ms. Huizenga	53		70	
By Mr. McCoy		58		
By Judge Albers		66		72

EXHIBITS

IDENTIFIED ADMITTED

Complainant's Exhibit 1	21	25
-------------------------	----	----

MidAmerican Exhibit 1	54	58
-----------------------	----	----

1 PROCEEDINGS

2 (Whereupon Complainant's Exhibit 1
3 was marked for identification at this
4 time.)

5 JUDGE ALBERS: By the authority vested in me
6 by the Illinois Commerce Commission, I now call
7 Docket No. 03-0513. This docket concerns a
8 complaint initiated by Ruth A. Heeb against
9 MidAmerican Energy Company.

10 The complaint concerns a denial of
11 residential utility service in Rock Island,
12 Illinois.

13 May I have the appearances for the record,
14 please?

15 MR. MCCOY: This is Robert McCoy of Prairie
16 State Legal Services for the complainant Ruth A.
17 Heeb. My address is 208-18th Street, Suite 202,
18 Rock Island, Illinois 61201; phone number
19 (309) 794-1328.

20 MS. HUIZENGA: Karen M. Huizenga appearing on
21 behalf of MidAmerican Energy Company, 106 East
22 Second Street, Davenport, Iowa 52801. My phone is

1 (523) 333-8006.

2 JUDGE ALBERS: Thank you.

3 Are there any others wishing to enter an
4 appearance? Let the record show no response.

5 I also note for the record that both the
6 complainant and respondent are appearing by
7 telephone today.

8 Do either of you have any preliminary
9 matters?

10 MR. MCCOY: I have none, Your Honor.

11 MS. HUIZENGA: No, Your Honor.

12 JUDGE ALBERS: All right. Are both of the
13 witnesses present with you?

14 MS. HUIZENGA: Yes, they are, Your Honor.

15 JUDGE ALBERS: I think at this time then to
16 save us a few minutes later, I'll go ahead and swear
17 in both witnesses right now.

18 Could both of you please stand and raise
19 your right hand?

20 (Whereupon the witnesses were sworn
21 by Judge Albers.)

22 JUDGE ALBERS: Thank you.

1 All right. Mr. McCoy, would you like to
2 call your witness, please?

3 MR. MCCOY: I call the complainant Ruth A.
4 Heeb.

5 RUTH A. HEEB
6 called as a witness herein, on behalf of the
7 Complainant, having been first duly sworn on her
8 oath, was examined and testified as follows:

9 DIRECT EXAMINATION

10 BY MR. MCCOY:

11 Q. Ms. Heeb, you have seen what's been declared
12 Complainant's Exhibit No. 1, the testimony of Ruth

13 A. Heeb in support of your complaint. You've seen
14 this document?

15 A. Yes, I have.

16 Q. The questions and answers, you have reviewed
17 the answers to the questions in the document and
18 they're correct?

19 A. Yes.

20 Q. And you say that they're accurate to the best
21 of your memory?

22 A. Yes.

1 JUDGE ALBERS: Can I interrupt you for a
2 minute?

3 Could Ms. Heeb step closer to the phone?
4 We're sort of having a hard time hearing her.

5 Q. These answers are correct you're testifying?

6 A. To the best of my knowledge.

7 Q. You, of course, are a private individual. You
8 do not have complete records of all your
9 transactions with MidAmerican?

10 A. No.

11 Q. Do we have the computer system that they have
12 before us?

13 A. No.

14 Q. But this is accurate to the best of your
15 information?

16 A. Yes.

17 Q. Okay. And to the best of your recollection,
18 you received continuous service from MidAmerican at
19 the former residence, 1811-12th Street, Rock Island,
20 Illinois?

21 A. Yes.

22 Q. Okay. What has been designated, you call it

1 the old account, it may have been in your husband's
2 name?

3 JUDGE ALBERS: I think that last question
4 didn't come through very clear. I guess just given
5 the phone system, maybe if you'd slow down a little
6 bit and speak louder.

7 MR. McCOY: I'll try, Your Honor.

8 JUDGE ALBERS: Thank you. And would you repeat
9 the last question, please?

10 Q. BY MR. McCOY: What was called the old account
11 97490-60010, that may have been in your husband's
12 name?

13 A. Possibly, yes.

14 Q. But you don't know for sure?

15 A. No, not for sure.

16 Q. Okay. But at your former address, you
17 received service continuously from MidAmerican
18 Energy Company, and that former address is 1811-12th
19 Street, Rock Island, Illinois?

20 A. Yes.

21 Q. In the fall of 2001, you had Project NOW pay an
22 old bill to continue service?

1 **A.** Yes.

2 **Q.** And at issue here is how that money was
3 applied, but as far as you know, it was all one
4 account?

5 **A.** As far as I knew, that's the way I assumed it
6 was, yes.

7 **Q.** Okay. You were never told by MidAmerican or
8 anyone else that a new account was being started?

9 **A.** No, no.

10 **Q.** After Project NOW paid the old bill in your
11 understanding, you received no notice that you still
12 owed money until May of this year, May of 2003?

13 **A.** That's correct.

14 MR. McCOY: Your Honor, I think the rest of
15 this testimony has been covered by Exhibit 1 but I'm
16 going to reserve my right to cross-examine
17 Ms. DeSalvo.

18 JUDGE ALBERS: Very good.

19 Is it your intention to move Complainant's
20 Exhibit No. 1 into the record?

21 MR. McCOY: Yes, it is, Your Honor. I move for
22 admission of Exhibit 1.

1 JUDGE ALBERS: Very good.

2 Ms. Huizenga, do you have any objections
3 to the admission of Exhibit 1?

4 MS. HUIZENGA: No, I do not, Your Honor.

5 JUDGE ALBERS: Hearing no objection, then
6 Complainant's Exhibit 1 is admitted.

7 (Whereupon Complainant's Exhibit 1
8 was admitted into evidence at this
9 time.)

10 JUDGE ALBERS: Do you have any questions for
11 Ms. Heeb, Ms. Huizenga?

12 MS. HUIZENGA: Yes, I do.

13 Before that, may I make a motion for a
14 directed verdict?

15 JUDGE ALBERS: You can.

16 MS. HUIZENGA: Okay. MidAmerican moves for a
17 directed verdict for the reason that according to
18 the formal complaint, the complainant is alleging
19 that at the service address, 1605-44th Street, Rock
20 Island, Illinois, MidAmerican is not allowing her
21 service without payment of any deposit or arrearage.
22 That is true.

1 However, complainant does not deny that
2 she used the gas and electric service and incurred
3 her current debt to MidAmerican of \$1,608.69 and
4 \$259.93 for a total of \$1,868.62.

5 Further, the only statute, rule, or
6 tariff the complainant states is involved in this
7 matter is 83 Illinois Administrative Code 280.50(a)
8 which gives a utility the option of requiring an
9 applicant for service to pay past due debts before
10 initiating service.

11 In complainant's testimony, she now says
12 that she is living at the address 1605-44th Street,
13 Rock Island. That is the place she says she wanted
14 service at in her complaint.

15 MidAmerican's computer system picked up
16 the current account number from the tape sent by
17 Project NOW. Ms. Heeb received bills each month
18 before this position information to apprise her
19 there was a problem. MidAmerican did nothing
20 inconsistent with statute, rule, or tariff.

21 Ms. Heeb does not dispute the service was
22 used and not paid for.

1 MidAmerican moves that a directed verdict
2 be entered against complainant.

3 JUDGE ALBERS: I think before we go any
4 further, I would point out that my ability to, my
5 authority rather to render a favorable judgment on
6 that motion is limited. I think only the Commission
7 has the ability to finally dispose of this matter.

8 I will take those comments under
9 advisement though, but for now I'm not going to rule
10 on that.

11 But just so that the complainant has an
12 opportunity to respond, would you care to do that
13 now, Mr. McCoy, or would you rather make a closing
14 argument of sorts upon completion of all the
15 testimony being heard?

16 MR. MCCOY: Your Honor, I'll make just very
17 brief comments.

18 First, I think you're right, that there's
19 no authority for a directed verdict or there's no
20 possibility of a directed verdict as this is a
21 hearing without jury.

22 I think the information, the evidence

1 taken in light most favorable to the complainant
2 shows that MidAmerican accepted payment from Project
3 NOW of 1,609 to pay a past due bill.

4 MidAmerican misapplied that payment to a
5 new account without notifying Ms. Heeb of the
6 creation of a new account in reliance on the
7 agreement, I'd even say contract between Project NOW
8 and MidAmerican.

9 Ms. Heeb did not make payment on the old
10 account. It did not seek assistance in the year
11 2002 from the Heeb's to pay any alleged old debt
12 because of not receiving any notification that there
13 was an old debt, and MidAmerican's error is the
14 reason there continues to be an old debt, so, in
15 fact, there is not an old debt.

16 And by insisting that she pay this old
17 debt before giving service, they are in violation of
18 the administrative rules.

19 JUDGE ALBERS: Okay. I might have some
20 questions about some of that later.

21 At this time however, Ms. Huizenga, if
22 you'd like to commence with your questioning of

1 Ms. Heeb, please proceed.

2 MS. HUIZENGA: Thank you, Your Honor.

3 CROSS-EXAMINATION

4 BY MS. HUIZENGA:

5 Q. On Page 2 of your testimony, you stated that in
6 the fall of 2001, utility service was uninterrupted,
7 and it remained in your name.

8 You had, in fact, been living there since
9 1997 at least, had you not?

10 A. Yes.

11 Q. When the monthly bill comes from MidAmerican,
12 do you read it?

13 A. I didn't at the time, and I'm going to tell
14 you why. I had brain surgery, and I was in Iowa
15 City for quite some time. I also was under heavy
16 medication, and my husband would read the bill or my
17 daughter would read the bill, and it got paid or
18 whatever. I did not personally, no.

19 Q. So how would you know that utility service
20 remained uninterrupted in your name if you were not
21 reading the bill?

22 A. Because it was in my name or my husband's

1 name.

2 Q. How do you know that if you were not reading
3 the bill?

4 A. Because that's what I assumed.

5 Q. And you are aware that on bills, the name of
6 the customer does appear?

7 A. Yes, ma'am.

8 Q. Okay. You have read Ms. DeSalvo's testimony?

9 A. Pardon?

10 Q. Have you read Ms. DeSalvo's testimony?

11 A. Yes, I have.

12 Q. Thank you.

13 The debt for \$1,608.69 was incurred on
14 your account that was disconnected for nonpayment on
15 September 26, 2000 according to that testimony.

16 A. Yes, ma'am.

17 Q. And you agree with that, correct?

18 A. Yes, ma'am.

19 Q. Okay. Another individual requested service
20 October 3, 2000.

21 Are you aware that was your daughter,
22 Brenda Unger?

1 **A.** My daughter was living with me. She was
2 taking care of me.

3 **Q.** Are you aware that the service was in her name
4 beginning October 3, 2000?

5 **A.** No, ma'am, I was not.

6 **Q.** And it remained in her name until September 19,
7 2001 when it was disconnected for nonpayment.

8 **A.** Okay. She was still living with me until
9 even two months after that.

10 **Q.** Did you review any of the bills coming to your
11 residence in that period October 3, 2000 to
12 September 19, 2001?

13 **A.** I honestly cannot tell you. I know I did see
14 some of the bills, yes. I don't know all of them.

15 **Q.** And do you recall whose name was on the bill,
16 who the customer listed on the bill was?

17 **A.** I do not recall. I'm sorry.

18 **Q.** Okay. But you stated in your testimony that
19 you believe service was uninterrupted in your name
20 although MidAmerican records show that it was Brenda
21 Unger?

22 MR. McCOY: I'm going to object.

1 JUDGE ALBERS: On what grounds?

2 MR. McCOY: These records have not been
3 admitted.

4 I believe under our pretrial conferences,
5 any exhibits were to be submitted beforehand, and
6 these records showing that service was in the name
7 of Ms. Unger have not been submitted to the
8 Commission.

9 JUDGE ALBERS: I'm afraid I'm at a
10 disadvantage given the geography.

11 MS. HUIZENGA: MidAmerican has the records in
12 front of them and would be happy to file them as a
13 late filed exhibit.

14 I am handing copies of these records to
15 the complainant as we speak.

16 JUDGE ALBERS: Typically, I would prefer to
17 have seen those prior to today.

18 What type of records exactly are they?

19 MS. HUIZENGA: These records show that service
20 was in Brenda Unger's name between October 3, 2000
21 and September 19, 2001.

22 MR. McCOY: Your Honor, I will still object.

1 MidAmerican is aware that it was supposed
2 to submit exhibits ahead of time. It did not submit
3 testimony until quite late under the schedule that
4 was agreed I admit, but the testimony did not make
5 any mention of Ms. Unger.

6 These records do not appear to be
7 legitimate business records but records prepared in
8 anticipation of this hearing.

9 MS. HUIZENGA: MidAmerican notes that these are
10 printouts of MidAmerican's records on its computer
11 system that note all of the contacts with a
12 particular customer for a particular account.

13 These records were not prepared in
14 anticipation of litigation.

15 JUDGE ALBERS: Well, again, I would have
16 preferred to have seen these prior to hearing about
17 them today.

18 What's the volume of material we're
19 talking about here?

20 MS. HUIZENGA: These simply back up... There's
21 about -- I don't know. I have an individual
22 counting the pages right now. There are six pages

1 that merely backs up the testimony made previously
2 by Ms. DeSalvo stating that another individual had
3 the service during that period. It's merely
4 cumulative evidence, Your Honor.

5 MR. McCOY: Your Honor, the objection is not
6 the length of this but the late submission of this,
7 the surprise factor that this is the first we've
8 even heard that MidAmerican is alleging that the
9 records were in Ms. Unger's name.

10 MS. HUIZENGA: It's in the testimony. It's in
11 the testimony of Ms. DeSalvo in 3, the first full
12 question.

13 JUDGE ALBERS: You said Page 3? You're
14 breaking up again.

15 MS. HUIZENGA: It's Ms. DeSalvo's testimony,
16 Page 3. The first full question and answer states
17 that another individual had service.

18 JUDGE ALBERS: I think in light of not having
19 received this ahead of time, I'm going to sustain
20 the objection.

21 **Q.** BY MS. HUIZENGA: However, having seen
22 Ms. DeSalvo's testimony and noting that Ms. Unger

1 was at your address, you now understand that there
2 is a question as to whether service was
3 uninterrupted in your name?

4 **A.** I don't understand what you're saying. Say
5 it again, please.

6 MS. HUIZENGA: I'm sorry. Could I have this
7 read back?

8 JUDGE ALBERS: Okay. The court reporter will
9 read it back.

10 (Whereupon the reporter read back
11 the last question.)

12 **A.** No, I was not aware of that. I thought it
13 was in my husband's name.

14 **Q.** Okay. You stated you received a 30-day
15 extension on your utility services for medical
16 hardship in the fall of 2001.

17 If I were to tell you that MidAmerican's
18 records show you received a 30-day medical on your
19 account in the fall of 2002 rather than 2001, is
20 that possible?

21 **A.** Yes, it is.

22 **Q.** Okay. When you say in your testimony that in

1 the fall of 2001 you did not receive bills for the
2 new account or the old account, if, in fact, there
3 was another person in there prior to September 19th,
4 would that explain to you why you did not receive
5 the bill if they were, in fact, addressed to Brenda
6 Unger?

7 **A.** Very possible.

8 **Q.** Okay. If you did not receive bills on the new
9 account, the account starting in the fall of 2001 as
10 opposed to the account that ended in 2000, did you
11 also not receive a disconnect notice in early
12 November of 2001?

13 **A.** I'm not sure. I'm sorry. I'm not sure.

14 **Q.** Okay. In addition to LIHEAP payments of 1,609
15 received on November 16, MidAmerican also received a
16 payment of 256.29 on November 20, 2001.

17 The 256.29 is exactly the total for the
18 charges for gas and electric service on your new
19 account for the first two months.

20 If you had not received those bills, how
21 did you know to pay that amount?

22 **A.** I don't know. My husband paid them probably.

1 I do not know.

2 **Q.** Okay. So in other words, you do not know if it
3 was a new account or an uninterrupted account?

4 **A.** I assumed, and I'm going to say I assumed
5 when you get power in your name, MidAmerican
6 researches back to see if there's an old bill
7 before you get the power if I am a new customer.

8 Apparently when the payment went through,
9 it did not pay my old bill, but yet I received
10 service in my name, so apparently it was not
11 researched to find out that I owed an old bill for
12 the money to be applied to that old bill.

13 **Q.** If you received a payment for the old bill in
14 the amount of 1,608.69, how did Project NOW know to
15 pay that if MidAmerican had not researched and
16 provided them that information?

17 **A.** That is true, but it did not go to the old
18 bill. I was created a new bill with credit.

19 **Q.** That is true, and MidAmerican has never denied
20 that.

21 MidAmerican states and has sent its
22 exhibit showing that it was Project NOW that

1 directed it be applied to your new bill.

2 Do you have any information today that
3 that is not so?

4 **A.** I did not even know I had a new account until
5 after the lights was turned on into my name, and
6 then I didn't look at the account number. I just
7 assumed that MidAmerican was paying for the old
8 account to give me a new account.

9 **Q.** So that on the new account, you did not know of
10 the payment of 256.29 because your husband did it?

11 **A.** I'm not sure. I assume he did it but I don't
12 even remember.

13 **Q.** Okay. You don't recall.

14 **A.** No. What I'm saying is my husband is the one
15 that was paying the bills, not me, okay? So what
16 I'm saying is if a new account was established in my
17 name, okay, and he paid that bill, I'm just assuming
18 that he assumed the way I did; that the old bill was
19 already paid. We wanted to keep current on the new
20 bill.

21 **Q.** In the last four or five years, approximately
22 how many times have you or your husband applied for

1 and received energy assistance?

2 **A.** Quite a few.

3 **Q.** How do you know normally that energy assistance
4 has been sent to MidAmerican on your behalf?

5 **A.** They usually tell us. We call or we go down.

6 **Q.** Do you ever receive communications through the
7 mail?

8 **A.** Sometimes; not all the time.

9 **Q.** Okay. Do you ever see it posted on the
10 MidAmerican bill?

11 **A.** Yes.

12 **Q.** Is it normally on the very first bill you
13 receive when you're initiating service?

14 **A.** I cannot remember, sorry.

15 **Q.** On the first bill you received following the
16 Project NOW payment of 1,609, there would have been
17 the statement, "An energy assistance payment has
18 been applied to your bill" and a notation of the
19 total amount of payments received since the last
20 billing.

21 Why did you not question that very large
22 payment?

1 **A.** I had ten people in my home. I was brought
2 those people by the police. I just assumed I was
3 getting help for those people as well as my own
4 family.

5 We had at one time 14 people in the house,
6 okay?

7 Now, when 1,600 was paid by Project NOW,
8 okay, paid the old bill to create me I assumed a new
9 bill, I saw the credit on the bill.

10 **Q.** Have you ever in getting energy assistance
11 payments gotten such a large payment ahead of time?

12 **A.** No, because I did not have that many people
13 in the home.

14 **Q.** Do your payments from Project NOW generally
15 vary depending on the number of people in the
16 residence receiving service?

17 **A.** Yes, ma'am.

18 **Q.** And how do they -- what is the formula that
19 they use?

20 **A.** I don't know.

21 **Q.** You stated you moved from your residence
22 1811-12th Street, Rock Island in November 2002

1 requesting that MidAmerican terminate your service
2 that month?

3 **A.** Yes, ma'am.

4 **Q.** And you did not request service in your own
5 name when you moved from that residence, correct, at
6 that time?

7 **A.** No, ma'am, I did not.

8 **Q.** To your knowledge, do agencies give grants when
9 grants are not needed to either maintain current
10 service or initiate new service?

11 **A.** I'm not sure.

12 **Q.** The account for which you owed 1,608.69
13 terminated on September 26, 2000, and the final bill
14 was mailed to you October 3, 2000.

15 Knowing that you had the debt at that
16 time, why did you not turn to Project NOW for
17 assistance in that fall season?

18 **A.** For the simple reason my husband was taking
19 care of the thing. I was under a lot of medication,
20 and I still am, but my problem is I didn't handle
21 that part of the bill, okay? I don't know.

22 **Q.** Early in 2000 you say you would have applied

1 for assistance as opposed to the fall of 2000.

2 Are you aware that your husband did go to
3 Project NOW for assistance in the fall of 2002 and
4 received a payment?

5 **A.** No, I'm not aware of that.

6 MS. HUIZENGA: That's all I have.

7 JUDGE ALBERS: Okay. Thank you.

8 I have a few questions of my own, and
9 then, Mr. McCoy, I'll give you an opportunity for
10 redirect.

11 CROSS-EXAMINATION

12 BY JUDGE ALBERS:

13 **Q.** Ms. Heeb, just so I'm clear, because you had
14 service at the same address, you just assumed that
15 it was on the same account?

16 **A.** Yes, sir, that's what I assumed. I assumed
17 the old bill was paid and it was starting a new bill
18 because there was no reason I had for not paying the
19 bill.

20 If we would have known that it was a new
21 account and the old bill was paid, we would have
22 certainly paid it. I have no problem paying my

1 bills, but I did not realize -- when I got a bill
2 from MidAmerican Energy, it said "do not pay," and
3 it said "this is not a bill."

4 **Q.** Okay. And you indicated earlier that for a
5 while your husband and perhaps even your daughter
6 were taking care of bill payments?

7 **A.** Yes, sir.

8 **Q.** Okay. And to the best of your knowledge, when
9 the bills came and said do not pay -- actually, let
10 me rephrase that.

11 When the statements from MidAmerican came
12 and said do not pay, this is not a bill because
13 there was a credit on the account, did you think it
14 was odd that you had that much of a credit?

15 **A.** Not at the time, no, because I thought if
16 they paid the old bill which was 1,600, because it
17 was so long ago, the old bill was, that this was a
18 credit for the new year, for the fall of the new
19 year.

20 So that's what I assumed because we had so
21 many people in the house at the time, and I did not
22 know if the other people had applied. I didn't know

1 what was going on to find out.

2 And, yes, it was my mistake not knowing,
3 but I just assumed that when you get electric
4 service turned on in your name that the old bill has
5 got to be paid, and that's what I assumed.

6 **Q.** Ms. Heeb, is it your position then that you
7 should not have to pay any of the old bill ever?

8 **A.** I'm not saying that at all, Your Honor. I
9 don't mind paying my bill. I have not got \$1,600
10 right today or even next week to pay this bill.

11 I even made suggestions that if they would
12 put this bill into a long period of time, whatever
13 Project NOW does not pay I'd be willing to pay. I
14 have no problem paying my bills.

15 **Q.** Okay. I just wanted to make sure I understood
16 what your position was.

17 So it's your hope that MidAmerican would
18 provide you with electric and gas service and allow
19 you to pay the amounts due on both accounts over a
20 period of time?

21 **A.** That's what I would like. My husband makes
22 \$1,200 a month. He's on disability, Your Honor.

1 We're staying with my granddaughter. Well, kind of
2 we're there and we're helping each other, but we're
3 going to be moving very shortly.

4 And when I move, it's just going to be
5 just me and my husband and I've got a handicapped
6 daughter, and when I move, I won't be able to get
7 any power whatsoever, so I don't know what to do.

8 **Q.** And you're requesting both electric and gas
9 service?

10 **A.** Yes, sir.

11 **Q.** Okay. And the past due amounts cover both
12 electric and gas service?

13 **A.** Yes, sir.

14 JUDGE ALBERS: Okay. I think that's all the
15 questions I have for you, ma'am.

16 Mr. McCoy, do you have any redirect?

17 MR. McCOY: Yes, I do just to clarify some
18 simple matters.

19 REDIRECT EXAMINATION

20 BY MR. McCOY:

21 **Q.** You understood that MidAmerican agreed to
22 accept the 1,609 payment for payment in full of the

1 past due old account, is that true?

2 **A.** Yes, it is.

3 **Q.** That payment was made, and MidAmerican accepted
4 1,609?

5 **A.** Yes, they did.

6 **Q.** Okay. You didn't think you could get a new
7 account without the past due bill being paid from
8 your prior experience with MidAmerican?

9 **A.** That's correct.

10 **Q.** So you believe that the old account had to be
11 paid in full for you to get a new account?

12 **A.** Yes, sir.

13 **Q.** And by the very fact that you were getting
14 service, you believed that the old account had been
15 paid?

16 **A.** Yes, sir.

17 **Q.** And you did not receive any notification that
18 it had not been paid by MidAmerican until May 2003
19 when they said they couldn't give you services?

20 **A.** That's correct.

21 **Q.** So MidAmerican accepted payments of money for
22 the old account and did not tell you you still owed

1 money on the old account?

2 **A.** No, sir.

3 **Q.** And because you did not know that there was an
4 outstanding bill, you did not apply for assistance
5 to pay for this outstanding bill?

6 **A.** No.

7 **Q.** Now, Judge Albers asked you whether you're
8 willing to pay this bill, is that right?

9 **A.** Yes.

10 **Q.** And you were willing to try to make a deal?

11 **A.** Yes.

12 **Q.** But you've been told that MidAmerican will
13 accept nothing less than full payment of the old and
14 new account?

15 **A.** Yes.

16 **Q.** Okay. And that's impossible for you?

17 **A.** Yes.

18 **Q.** And because that is impossible and because
19 MidAmerican misapplied funds, you are asking that --

20 MS. HUIZENGA: MidAmerican objects.

21 For the second or third time you've used
22 the term that MidAmerican misapplied. That's a

1 mischaracterization of what happened, and you've
2 seen the exhibit that shows it.

3 JUDGE ALBERS: All right. Well, without trying
4 to determine who misapplied what, can you use a
5 different word, Mr. McCoy?

6 MR. McCOY: Okay.

7 **Q.** You are asking -- okay. Because you were
8 unable to pay this entire amount and because the
9 Project NOW funds were not applied to your old
10 account, you are asking this court to waive your
11 requirement to pay the past due account, is that
12 correct?

13 **A.** Well, either waive it or make arrangements
14 that I can pay on it; I don't care.

15 **Q.** Okay. So you would request that they either
16 waive it entirely or be ordered to make
17 arrangements?

18 **A.** That I can afford, yes.

19 MR. McCOY: Okay. Nothing further.

20 MS. HUIZENGA: MidAmerican has some recross,
21 Your Honor.

22 JUDGE ALBERS: Go ahead.

RECROSS-EXAMINATION

BY MS. HUIZENGA:

Q. You had stated in response to Judge Albers' questions that you have no problem paying your bills?

A. No, ma'am.

Q. You are aware on your latest account that two times you defaulted on payment agreements with MidAmerican?

A. Because my medicine comes before my light bill. I'm sorry but I have to have medication, and I don't have Medicaid. I don't have Medicare.

Q. And you are also aware that on the latest account with MidAmerican, we received three payments that were not energy assistance payments that would have been payments from your family in that whole period?

A. Excuse me. I didn't understand the question.

Q. Okay. You are aware that in your latest account, we received three payments on behalf of the Heebbs that were not energy assistance payments; in other words, they would have been payments, I

1 assume, from your family?

2 **A.** That's very possible.

3 **Q.** All right. And these problems you have
4 suggested are because your husband was dealing with
5 some of these matters? Do I understand that
6 correctly?

7 **A.** Yes, ma'am.

8 **Q.** Why should MidAmerican believe in the future
9 that you will deal with the problems and you will be
10 paying the bills?

11 **A.** For the very simple reason I'm going to make
12 it my business to take care of them.

13 MS. HUIZENGA: Thank you.

14 JUDGE ALBERS: Ms. Heeb, one or two more
15 questions from myself just so I'm clear on
16 something.

17 RECROSS-EXAMINATION

18 BY JUDGE ALBERS:

19 **Q.** You indicated at one point earlier that you
20 didn't think there were two accounts because you're
21 still at the same address and just assume that that
22 would be the same account for the same address, is

1 that correct?

2 **A.** Yes, sir, that's the way it was.

3 **Q.** Okay. And I think in response to a couple of
4 Mr. McCoy's questions a minute ago you indicated
5 that when you got your new account, you assumed it
6 was because everything was paid off on the old
7 account, is that correct?

8 **A.** Yes, sir.

9 **Q.** Now, to me, those two statements make me want
10 to ask if you thought you had the same account all
11 along, why would you have stopped to ask yourself or
12 to assume for yourself that the first account had
13 already been paid?

14 **A.** Say that again, Your Honor.

15 **Q.** Well, I'll try to rephrase that.

16 At one point you said you thought you had
17 the same account all along, right?

18 **A.** Yes.

19 **Q.** But then just a little bit ago I thought I
20 heard you saying that you assumed your first account
21 had been paid off since you were able to get a
22 second account?

1 **A.** No, I didn't mean it that way.

2 I assumed the first account was paid
3 off... Okay. Let me explain it this way.

4 If I have one account and I'm in arrearage
5 and it's been shut off for that reason, because I am
6 in arrearage, and someone comes along and pays it
7 for that account, I just assume the same number
8 would be for the account that would be fresh.

9 JUDGE ALBERS: Okay. I just wanted to make
10 sure I understood.

11 Okay. I don't have any other questions
12 then. Thank you, Ms. Heeb.

13 MR. McCOY: I've got redirect based on that.

14 JUDGE ALBERS: I'm sorry?

15 MR. McCOY: I have a redirect just based on
16 your last question, Your Honor.

17 JUDGE ALBERS: Well, at some point I have to
18 cut it off.

19 MR. McCOY: Okay, Your Honor.

20 JUDGE ALBERS: All right. Thank you,
21 Ms. Heeb.

22 Did you have anything else to add though

1 in a non-testimony sense, Mr. McCoy, before we turn
2 to MidAmerican's case?

3 MR. MCCOY: Your Honor, I guess I'll save it
4 for argument.

5 JUDGE ALBERS: That's fine.

6 And, Ms. Huizenga, if you'd like to call
7 your witness.

8 MR. MCCOY: Thank you, Your Honor. MidAmerican
9 calls Julie DeSalvo.

10
11 JULIE A. DeSALVO
12 called as a witness herein, on behalf of MidAmerican
13 Energy Company, having been first duly sworn on her
14 oath, was examined and testified as follows:

15 DIRECT EXAMINATION

16 BY MS. HUIZENGA:

17 **Q.** Ms. DeSalvo, state your name and business
18 address for the record.

19 **A.** Julie A. DeSalvo, address 106 East Second
20 Street, Davenport, Iowa 52801.

21 **Q.** Ms. DeSalvo, by whom are you employed and in
22 what position?

1 **A.** MidAmerican Energy, and I'm a credit
2 supervisor.

3 **Q.** Do you have before you a copy of an eight-page
4 document entitled "Illinois Commerce Commission,
5 Docket No. 03-0513, Direct Testimony of Julie
6 DeSalvo" which we'll submit as MidAmerican Exhibit
7 1?

8 **A.** I do.

9 **Q.** Is this the direct testimony prepared by you
10 for this proceeding?

11 **A.** It is.

12 **Q.** Do you have any additions or corrections to
13 this direct testimony?

14 **A.** I do.

15 On Page 3, the fifth line of the answer to
16 the question that starts "How does MidAmerican
17 receive payments from Project NOW," that should be
18 changed to a date of November 15, 2001. It
19 currently reads November 15, 2002.

20 **Q.** Do you have any other additions or corrections
21 to your direct testimony?

22 **A.** Yes, one more.

1 On Page 4, the third line of the last
2 answer reads again November 2002 and that should
3 read November 2001.

4 **Q.** With these corrections --

5 MR. McCOY: Your Honor, at this point I'm going
6 to object.

7 Ms. DeSalvo is reading her responses to
8 questions it appears. I have no problem with the
9 corrections because I want the correct testimony and
10 correct exhibit to be entered, but if she's going to
11 be reading her responses, I would object.

12 THE WITNESS: Your Honor, I wrote my answers
13 down. When I saw my testimony, I saw the
14 corrections needed to be made, and I wanted to make
15 sure that I had the exact lines that needed to be
16 corrected so I simply wrote them down on my
17 statement.

18 JUDGE ALBERS: At this point in time, I don't
19 think the corrections in and of themselves are
20 substantive testimony, so I'm not going to worry
21 about whether the witness has gotten a couple of
22 notes as to the exact location of corrections

1 written down, but, you know, if you have reason to
2 object further at a later time, please do so,
3 Mr. McCoy.

4 MR. McCOY: Thank you.

5 **Q.** BY MS. HUIZENGA: With these corrections, is
6 your direct testimony true and correct to the best
7 of your knowledge and belief?

8 **A.** Yes, it is.

9 **Q.** If I asked you these questions today, would
10 your answers under oath be the same?

11 **A.** Yes, they would.

12 **Q.** On Page 3 of your direct testimony, you refer
13 to Attachment No. 1.

14 **A.** Yes.

15 **Q.** Ms. DeSalvo, do you have before you a copy of a
16 document entitled Attachment No. 1 consisting of two
17 pages?

18 **A.** I do.

19 **Q.** Is this a copy of the document you referred to
20 in your testimony as Attachment 1?

21 **A.** It is.

22 **Q.** Can you explain what it is, please?

1 **A.** It is a file received from Project NOW that
2 advises MidAmerican of customers' names, customers'
3 account numbers, customers' social security numbers,
4 and the amount that the grant that Project NOW is
5 providing for that customer.

6 **Q.** Why are there areas on that Attachment 1 that
7 are whited out?

8 **A.** Because those are names of other customers,
9 and that information has to remain confidential.

10 **Q.** Do you have any additions or corrections to
11 make to this exhibit?

12 **A.** No.

13 **Q.** Other than the whited out section, is the copy
14 of the Project NOW printout a true and correct copy
15 as labeled Exhibit 1 to the best of your knowledge
16 and belief?

17 **A.** It is to the best of my knowledge.

18 MS. HUIZENGA: Your Honor, MidAmerican would
19 move for the admission of MidAmerican Exhibit No. 1
20 consisting of eight pages plus Attachment No. 1.

21 MR. McCOY: No objection.

22 JUDGE ALBERS: Then MidAmerican Exhibit 1 is

1 admitted.

2 (Whereupon MidAmerican Exhibit 1 was
3 admitted into evidence at this
4 time.)

5 JUDGE ALBERS: And in light of the corrections,
6 Ms. Huizenga, I believe is it your intention to
7 submit this via e-docket at a later time?

8 MS. HUIZENGA: Yes, Your Honor, we will submit
9 it later today.

10 JUDGE ALBERS: Very good.

11 Is your witness tendered for cross?

12 MS. HUIZENGA: Yes. MidAmerican tenders its
13 witness for cross-examination.

14 JUDGE ALBERS: Mr. McCoy, do you have any
15 questions for Ms. DeSalvo?

16 MR. MCCOY: Yes. I have just a few.

17 CROSS-EXAMINATION

18 BY MR. MCCOY:

19 Q. Ms. DeSalvo, the attachment to the exhibit
20 consisting of two pages, I see, or I guess I just
21 need help interpreting it.

22 I see the account number which lists the

1 new account 60058 ending.

2 A. Uh-huh.

3 Q. The full account number is 97490-60058.

4 This is a document prepared by Project NOW
5 to show what LIHEAP payments are to be applied?

6 A. Yes, it is.

7 Q. It shows the amount to the right of 750?

8 A. Yes.

9 Q. Not the 1,609 payment?

10 A. There are several pages to the document that
11 lists the different grant amounts.

12 Q. Okay. Well, I see another, a second page,
13 \$622.

14 A. Uh-huh.

15 Q. And I guess 237, so they need to be added
16 together?

17 A. Uh-huh.

18 Q. Okay. So it was made in several payments?

19 A. Right.

20 Q. In the name of Joseph Heeb, not Ruth Heeb?

21 A. That's correct.

22 Q. You heard Ms. Heeb's testimony that you

1 believe MidAmerican does not start a new account
2 when money is owed on an old account?

3 **A.** Uh-huh.

4 **Q.** So in this case, the account number ending
5 60058, it's your position that MidAmerican broke
6 from that policy and started a new account while
7 1,609 was still owed on the old account?

8 **A.** That's not correct.

9 Project NOW had called MidAmerican Energy
10 on September 18th and advised that they would be
11 providing the 1,608.69 to take care of the Heebs'
12 prior debt.

13 At that point then the new service was
14 established for them because Project NOW had made a
15 promise to us of this payment.

16 Illinois funds are considered guaranteed
17 because the federal government backs that funding,
18 so we assume or we take that statement from Project
19 NOW as guaranteed money coming in.

20 So since we were guaranteed that they were
21 going to pay the entire past due debt, we did grant
22 the Heebs new service or a new account at that time.

1 **Q.** Okay. So you granted a new account with the
2 understanding that a payment of 1,609 was past due?

3 **A.** That's correct.

4 **Q.** And although Project NOW labeled what accounts
5 the money was to go to in this payment, the money
6 was accepted with the understanding it was to be
7 applied toward the old debt?

8 **A.** That's correct.

9 **Q.** Because the money was applied to the new
10 account and that 1,609 went unpaid?

11 **A.** Uh-huh.

12 **Q.** But Ms. Heeb was not billed for that 1,609.
13 She did not receive monthly bills for the 1,609 or
14 reminder bills that she still owed 1,609?

15 **A.** Once an account finals in our system, when we
16 get the final read on that account, the customer is
17 mailed a final bill.

18 If that final bill is not paid by the
19 final bill due date, 15 days later the system
20 generates a final bill reminder letter again stating
21 the amount of the debt and the address where the
22 debt was incurred.

1 If at that time the account is still not
2 paid, then the account is what we call written off
3 in our system. That occurs at day 120.

4 **Q.** Okay. You do not know personally whether
5 Ms. Heeb received one of these final bill
6 notifications?

7 **A.** There were no notices.

8 If there's an intent to deliver the mail
9 and the postal master returns it to us because of a
10 bad address or the customer moved, there's a note
11 put on that account, and there were no notes on
12 either of the Heeb's accounts for any return mail
13 issues, so the assumption is that the bills were
14 received at the address they were mailed to.

15 **Q.** Okay. I guess the final bill was mailed out,
16 it's your testimony, back in September of 2000
17 actually.

18 **A.** That's correct.

19 **Q.** So Ms. Heeb would not have received a final
20 bill?

21 **A.** Oh, no.

22 **Q.** Okay. So she would have understood that

1 Project NOW money was going toward that 1,609 debt?

2 **A.** Uh-huh.

3 **Q.** And she would not have received any new final
4 bill showing that that had not been paid as
5 understood?

6 **A.** No, but a lot of times it lapsed.

7 That final bill was mailed September 26th
8 of 2000, and the Project NOW promises came through
9 on September 19th or September 18th of 2001.

10 **Q.** I understand.

11 **A.** So you're talking about a year lapse in time
12 at which point that debt has been, as I said
13 earlier, written off in our system.

14 The customer had not responded to their
15 final bill. The customer did not respond to the
16 final bill reminder letter, so the debt was charged
17 off.

18 **Q.** Okay. But after the LIHEAP payment was
19 accepted, Ms. Heeb would have no way of knowing that
20 the 1,609 debt was still out there until she was
21 notified in May 2003?

22 **A.** She would have known that when they called in

1 to get service which they did. It's my
2 understanding I believe Joseph called in to ask for
3 service. He was advised of the debt. He went to
4 Project NOW and also made a payment of \$465 towards
5 that.

6 The original final bill amount was 2,000,
7 and he made the payment --

8 **Q.** That 465 was before the LIHEAP payment though.

9 **A.** Right.

10 How LIHEAP payments work or Project NOW
11 promises, they'll say the customer pays X amount and
12 then we will contribute our portion.

13 So that's what occurred here is Mr. Heeb
14 made a \$465 payment.

15 **Q.** He made a payment. He got the LIHEAP payment?

16 **A.** Right.

17 **Q.** But he would not have known that that bill was
18 still out there until denied again, and I guess that
19 happened, according to Ms. Heeb's testimony, back in
20 May of this year.

21 **A.** Uh-huh.

22 **Q.** So after that LIHEAP payment was made, there

1 had been no notification from MidAmerican that 1,609
2 was still owed?

3 **A.** No, there would not have been other than the
4 notes indicated on the Heebs' account that the
5 energy assistance money had been applied there.

6 **Q.** But that note would just say that energy
7 assistance had been applied?

8 **A.** Yes.

9 **Q.** It would not have gone further and said energy
10 assistance had been applied but there's still an
11 outstanding 1,609 debt?

12 **A.** No, it would not say that.

13 **Q.** Okay. I note on Page 4 of your testimony that
14 you state that the Heebs have had experience with
15 the grants in the past. They have received seven
16 payments from local assistance agencies in the past.

17 **A.** That's correct.

18 **Q.** Okay. I guess the point --

19 **A.** Yeah, for the account that has a remaining
20 balance of the 1,600, yes.

21 **Q.** Okay. MidAmerican, of course, does many
22 thousands of these transactions, if not millions,

1 taking the assistance payments and applying them?

2 **A.** Yes, and it's an automated process.

3 The file that you were provided with in my
4 testimony is an electronic. They follow up with the
5 paper file, but it's all an electronic process.
6 It's a tape that Project NOW provides to MidAmerican
7 Energy. MidAmerican Energy downloads that
8 information into our customer information system.
9 It's all automated.

10 MR. McCOY: Okay. Nothing further.

11 JUDGE ALBERS: Ms. DeSalvo, just a few
12 questions to make sure I'm clear.

13 CROSS-EXAMINATION

14 BY JUDGE ALBERS:

15 **Q.** Did you indicate a little bit ago that after a
16 customer's account is closed and the last bill is
17 sent -- like in this case I think the last bill was
18 sent October 3rd on the old account, is that
19 correct?

20 **A.** Yes.

21 **Q.** If you don't receive payment by the bill due
22 date, 15 days after the due date a reminder is sent

1 to the customer?

2 **A.** That's correct. We call it a final bill
3 reminder letter.

4 **Q.** And how many days after that do they have to
5 pay that?

6 **A.** It really doesn't tie a due date to them. It
7 advises that the account will be charged off if they
8 don't take care of the debt and it could affect
9 their credit.

10 **Q.** So when you say charged off, does that mean --
11 well, could you tell me what that means?

12 **A.** Basically, it becomes a bad debt in our
13 system, and we have to wait for the customer to pay
14 or write off the balance.

15 **Q.** And so at some point then, you turn it over to
16 a credit agency or credit collection agency?

17 **A.** Yes. That would be at day 60.

18 **Q.** Is that day 60 from the original due date of
19 the last bill?

20 **A.** From the day the bill is mailed is day 1, and
21 then day 60 is the day that it would be turned to an
22 agency.

1 **Q.** Okay. And I thought at one point you said
2 something about 120 days.

3 **A.** At day 120 is the point that we write it off
4 in our system; again, day one being the day that
5 bill is mailed.

6 **Q.** Okay. So at day 60, you turn it over to an
7 agency?

8 **A.** Yes.

9 **Q.** And at day 120, if you still don't have
10 payment, you just write it off as bad debt?

11 **A.** Right.

12 **Q.** And after that, you don't make any further
13 attempt to contact that customer?

14 **A.** MidAmerican does not, no, unless the customer
15 contacts us for new service.

16 **Q.** At that point in time, your system remembers
17 not having received payment of the last account and
18 flags the new account so to speak?

19 **A.** Right, just as occurred here with the Heebs.
20 When a customer calls for new service and we key in
21 either their name or their social security number if
22 the customer chooses to provide it, that's how they

1 would find the debt which they did here, and that's
2 when Mr. Heeb went to Project NOW to receive
3 assistance in paying that prior debt.

4 **Q.** And that amount from LIHEAP of \$1,609 was
5 received roughly a year after the final bill was
6 sent on the old account?

7 **A.** That's correct, because that's the first time
8 after that account was finaled that the Heeb's had
9 applied for new service.

10 **Q.** Okay. Just taking some notes here.

11 Now, on both of these accounts, the
12 balances due on both of them, is MEC assessing
13 interest on either of either one of them?

14 **A.** No, not while it's finaled or active.

15 **Q.** I'm sorry. Say that again.

16 **A.** When an account is finaled, there is no
17 interest applied to it.

18 When an account is active, late payment
19 charges are assessed as provided by Illinois Code
20 280.

21 **Q.** Okay. Now, in the second account, that
22 account also is closed, correct?

1 **A.** That's correct.

2 **Q.** And that was closed November of 2002?

3 **A.** That's correct.

4 **Q.** And the balance due on that is 259.93?

5 **A.** Yes, that is correct.

6 **Q.** And MidAmerican seeks payment in full on both
7 accounts before it will initiate service on a third
8 account?

9 **A.** That is correct.

10 JUDGE ALBERS: All right. Ms. Huizenga, do you
11 have any redirect?

12 MS. HUIZENGA: Just a couple quick questions.

13 REDIRECT EXAMINATION

14 BY MS. HUIZENGA:

15 **Q.** When an account, a finalized account has been
16 sent to a collection agency, MidAmerican does not
17 then necessarily pull it back at day 120, does it?

18 **A.** No. The account remains with the collection
19 agency. It's simply written off in our system at
20 that point of an inactive receivable versus an
21 active receivable.

22 **Q.** You had been asked earlier by Mr. McCoy whether

1 MidAmerican accepted payment from Project NOW with
2 the understanding it was to be applied to the old
3 debt.

4 To your knowledge, is there a way normally
5 for an individual to review every single payment we
6 get from agencies to make sure that the agency has
7 given us the correct account number?

8 **A.** No, no. As Mr. McCoy indicated, there are
9 thousands of these files or customer information
10 that comes into our system, and unfortunately, I do
11 not have the manpower to review all of their
12 electronic files for accuracy. We're, you know,
13 assuming Project NOW is providing us accurate
14 information.

15 MS. HUIZENGA: That's all I have, Your Honor.

16 JUDGE ALBERS: Actually, I thought of two other
17 questions, and if you have any redirect questions on
18 those, that's fine.

19 RECROSS-EXAMINATION

20 BY JUDGE ALBERS:

21 **Q.** One, has this type of problem happened before,
22 Ms. DeSalvo?

1 **A.** Not to my knowledge, no.

2 **Q.** Okay. And do you know how LIHEAP gets the
3 account number to give to you or rather Project NOW?

4 **A.** Project NOW will call in. We communicate
5 with them daily. They may call in and ask for
6 account information. They can either call
7 MidAmerican Energy or when the customer enters
8 their office, the customer can show them a bill or a
9 disconnect notice and say here's my account
10 information.

11 **Q.** And do you know what happened in this instance?

12 **A.** I do not.

13 JUDGE ALBERS: Okay. All right. Did you have
14 any redirect on those two questions?

15 MS. HUIZENGA: No, Your Honor.

16 Do you have any recross?

17 MR. McCOY: No recross, Your Honor.

18 JUDGE ALBERS: All right. Thank you.

19 At this point in time, let me ask the
20 parties this. Do either of you feel the need for
21 any type of legal brief or would you be comfortable
22 making a closing statement today and marking the

1 record heard and taken?

2 MR. McCOY: I'd be comfortable with a closing
3 statement, Your Honor.

4 JUDGE ALBERS: I'm not suggesting you have to
5 go that route. I just didn't know if either of you
6 saw the need for briefs. Sometimes parties waive
7 the filing of briefs.

8 MS. HUIZENGA: Your Honor, may I talk to my
9 client just a second?

10 JUDGE ALBERS: Certainly.

11 Why don't we go off the record then for a
12 minute.

13 (Whereupon an off-the-record
14 discussion transpired at this
15 time.)

16 JUDGE ALBERS: We're back on the record.

17 MS. HUIZENGA: MidAmerican would be satisfied
18 with a closing statement today, Your Honor.

19 JUDGE ALBERS: Okay. Would the complainant
20 like the opportunity to close then?

21 MR. McCOY: Thank you, Your Honor.

22 JUDGE ALBERS: Well, I mean did you want to be

1 last to go?

2 MR. McCOY: I guess it doesn't matter to me
3 either way. I can go first or last.

4 JUDGE ALBERS: I didn't know since you have the
5 burden in this case if you'd prefer to have the last
6 word.

7 MR. McCOY: I guess I'll go last then, Your
8 Honor.

9 JUDGE ALBERS: Okay.

10 Ms. Huizenga?

11 MS. HUIZENGA: Sure.

12 Your Honor, essentially what I stated
13 previously I would like to reiterate; that at this
14 point we have bills for service that ended in 2000
15 and service that ended in 2002.

16 Whether last spring Ms. Heeb requested
17 service again, although she has a final bill, she
18 herself is not making payments on either of those
19 finalized accounts since last spring.

20 She is aware of the bills and that they
21 were incurred and that MidAmerican did nothing
22 inconsistent with the statute, rule or tariff. Our

1 bills had more than sufficient information to
2 apprise her there was a problem and that she could
3 call in and find out what was going on.

4 At 280.50 of the Administrative Code, Part
5 280, when an applicant has failed to pay for past
6 due service, a utility may refuse to provide service
7 unless the applicant pays the past due bill, and
8 that's exactly what MidAmerican is requiring at this
9 time.

10 That's all, Your Honor.

11 JUDGE ALBERS: Okay. Thank you.

12 Mr. McCoy?

13 MR. McCOY: Yes, Your Honor.

14 The testimony has been kind of confusing
15 but I think I can boil it down to a simple issue.
16 Is there a past due bill for the 1,609, and I think
17 the answer has to be no.

18 MidAmerican agreed with Project NOW -- and
19 that's from the testimony of Ms. DeSalvo -- that
20 they would accept payment of 1,609 for the past due
21 bill, the old account, the 97490-60010 account.
22 They agreed to accept payment.

1 Project NOW made the payment. The money
2 was misapplied.

3 Now, MidAmerican says it's not our fault
4 that Project NOW gave us the wrong account number.

5 That's not clear because Project NOW, from
6 Ms. DeSalvo's testimony, may have gotten the account
7 number from MidAmerican, but in any case, the
8 agreement was that money was to go to the old
9 account and the money was paid.

10 That is not a debt then. It is an
11 agreement for payment. The money is paid. It's
12 accepted. There is not a debt.

13 Therefore, MidAmerican cannot require
14 payment of that 1,609 so-called old debt when there
15 is no debt before providing service.

16 I think it's probably within their rights
17 to require payment of the \$259.93, but the 1,609,
18 they accepted payment for it. It is not Ms. Heeb's
19 fault.

20 They try to say, well, she should have
21 known what was going on.

22 She didn't get any notice of what was

1 going on other than credit had been applied to her
2 account with no explanation.

3 She did not create the error. She did not
4 violate the agreement, so there is no debt to the
5 1,609.

6 There is a debt for the 259.93, and I
7 think MidAmerican can fairly require her to pay that
8 amount before giving service in her name.

9 Had she known that there was an old debt,
10 she might have gotten LIHEAP assistance to pay that
11 old debt.

12 I think in addition to MidAmerican's
13 breach of its agreement with Project NOW, there's an
14 equitable and thoughtful kind of argument in that
15 she could have dealt with this problem last fall had
16 she known that MidAmerican was claiming an old debt.

17 Quite simply, there is not an old debt
18 where MidAmerican agrees to accept payment, does
19 accept a payment, and then says, well, there was a
20 goof and you should have known about it.

21 Thank you.

22 JUDGE ALBERS: Okay. Thank you both.

1 Do either one of you have anything else to
2 add?

3 MS. HUIZENGA: No, Your Honor.

4 MR. McCOY: No, Your Honor.

5 JUDGE ALBERS: All right. Then you both agree
6 to waive the filing of briefs?

7 MR. McCOY: Yes, Your Honor.

8 MS. HUIZENGA: Yes, Your Honor.

9 JUDGE ALBERS: All right. If there's nothing
10 further then, I will mark the record heard and
11 taken.

12 HEARD AND TAKEN.

13

14

15

16

17

18

19

20

21

22